ENERGY PRODUCING STATES COALITION

July 21, 2014

Kelly Hammerle Five Year Program Manager BOEM (HM-3120) 381 Elden Street Herndon, Virginia 20170

RE: Request for Information on 2017-2022 Outer Continental Shelf Oil & Gas Leasing Program

Dear Ms. Hammerle:

On behalf of the Energy Producing States Coalition (EPSC) - which represents legislators from 16 states including Alaska, Arizona, Colorado, Florida, Idaho, Indiana, Mississippi, Nevada, North Dakota, Ohio, Pennsylvania, Oklahoma, Texas, Utah, Wisconsin and Wyoming – we write to convey our strong support for including all 26 Outer Continental Shelf (OCS) planning areas in the development of the Draft Proposed Program as part of the federal government's 2017-2022 offshore oil and gas leasing program.

Based on the latest federal estimate, the U.S. OCS contains approximately 90 billion barrels of oil and over 404 trillion cubic feet of natural gas. Many of these resources, however, are located in planning areas that are currently either completely or largely prohibited from development.

For example, the Atlantic OCS contains an estimated 4.72 billion barrels of oil and 37.5 trillion cubic feet of natural gas, while the Eastern Gulf of Mexico holds an estimated 5.07 billion barrels of oil and 16.08 trillion cubic feet of natural gas. Put another way, that represents more than 20 times the 2012 level of annual federal offshore oil production and over 94 times the 2012 level of annual federal offshore natural gas production. In addition to the domestic energy supply boost these resources could provide, reports project that their development could ultimately support more than 440,000 jobs and \$191 billion in cumulative government revenue.

In the Arctic, it is vital that the U.S. maintain and accelerate opportunities to develop offshore oil and gas in the resource-rich Beaufort and Chukchi Seas. The region holds an estimated 23.6 billion barrels of oil and 104 trillion cubic feet of natural gas, the development of which would create 54,700 jobs and \$193 billion in government revenue. Resource development in the U.S. Arctic would also significantly bolster the nation's influence in a strategically critical area.

Domestic energy development has played a central role in our emergence from the most significant economic crisis since the Great Depression, and the ongoing renaissance is

transforming communities across the U.S. as well as reshaping the global geopolitical landscape. However, a 6.3% unemployment rate, turmoil overseas, high gasoline prices, and a continued steady stream of crude oil imports all demonstrate the need for access to new domestic energy resources.

EPSC members believe we must allow greater access to our vast federal resources and recognize the significant economic benefits of increased offshore energy production will be felt far beyond the boundaries of coastal states. Further, Congressional intent expressed in the Outer Continental Shelf Lands Act clearly states the Outer Continental Shelf is a "vital natural resource" which "should be made available for expeditious and orderly development" for the common good of our nation. Therefore, we respectfully urge the Bureau of Ocean Energy Management to include all offshore planning areas during this initial phase.

Sincerely,

Sen. Cathy Giessel

Alaska

EPSC Chair

Rep. Bob Skarphol

North Dakota

EPSC Executive Committee

Kep. Bob Skaughol

Sen. Chuck Winder

Church Selinder

Idaho

EPSC Chair-elect

Rep. Steve Handy

Utah

EPSC Executive Committee

Sen. Drew Perkins

Wyoming

EPSC Executive Committee